PSC REF#:112870

STANDARD & POOR'S

RATINGSDIRECT®

February 27, 2009

Summary:
Wisconsin Power & Light Co.

Primary Credit Analyst:
Gerrit Jepsen, CFA, New York (1) 212-438-2529; gerrit_jepsen@standardandpoors.com

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Summary:
Wisconsin Power & Light Co.

Credit Rating: A-/Stable/A-2

Rationale

The ratings on Wisconsin Power & Light Co. (WP&L), a regulated electricity and natural gas utility, reflect parent Alliant Energy Corp.'s consolidated credit profile. Alliant Energy's other subsidiaries include Interstate Power & Light Co. and Alliant Energy Resources (AER).

The ratings on Alliant Energy reflect its stable utility subsidiaries, adequate cash flow protection, and reduced debt leverage. Alliant Energy has an excellent business risk profile, which reflects the successful reduction in the size and scope of AER's unregulated and international activities through divestitures and the use of sales proceeds to pay down debt. AER operates primarily in energy transportation, development of wind power, and consulting services. WP&L's business risk profile is excellent and reflects a constructive regulatory environment, low-cost coal-fired generation, and reduced operational risk from the sale of its interest in a nuclear plant. These strengths are tempered by moderate industrial concentration, rising fuel and purchased-power costs, and significant nondiscretionary capital spending. Alliant Energy is constructing wind farms and is planning to build coal units, one in each utility's service territory.

Ratemaking principles for new generation and authorized equity returns that exceed the national average strengthen WP&L's business risk profile. WP&L benefits from a moderate reliance on low-sulfur coal. The company's coal-fired facilities generate about 50% of the company's energy requirements and helps keep production costs below regional and national averages. As new wind projects come on line, fuel diversity may increase. WP&L's electric load is moderately exposed to business cycle fluctuations, with industrial and wholesale customers accounting for over 35% of electric operating revenues. The industrial concentration may contribute electric sales growth, but can increase overall cash flow volatility.

WP&L's financial profile is evaluated in the context of its relationship with Alliant Energy. Alliant Energy's consolidated credit measures are within established guidelines for an aggressive financial risk profile. Overall, the company has adequate cash flow protection and manageable debt leverage. For the 12 months ended Sept. 30, 2008, after adjustments, funds from operations (FFO) interest coverage was 3.9x, FFO to debt was about 20%, and debt to total capital was 50%. During the construction program, we would expect at least some weakening of these financial measures. As capital spending has increased for the company, net cash flow to capital expenditures has dropped, hitting 55% as of Sept. 30, 2008, and may remain well below 100% as capital spending increases for new construction.

Short-term credit factors

The 'A-2' short-term rating on WP&L reflects Alliant Energy's short-term consolidated credit profile. Alliant Energy should have sufficient liquidity over the short term. The company's strong liquidity reflects stable cash flow from utility operations and ample alternative liquidity sources such as $379 million of cash. Capital spending has been funded through internally-generated operating cash flow, but free operating cash flow will likely be negative in the intermediate term during the company's construction program. External funding will be required to finance this program. Alliant's commercial paper program provides alternative liquidity to meet ongoing working-capital requirements and moderate debt maturities through the intermediate term. The company uses its credit facilities to backstop its commercial paper program. Alliant Energy has three revolving credit facilities totaling $650 million that support its commercial paper program and are also available for direct borrowings. The company had $582 million of availability as of Sept. 30, 2008.

Outlook

The outlook on WP&L is stable. We expect Alliant Energy will continue to focus on its core utility subsidiaries and that its capital spending program will be completed without material delays or cost overruns, and continued supportive regulation during the construction phase. However, we could change the outlook to negative if the financial profile weakens more than we expect during the construction period due to unfavorable ratemaking treatment, significantly higher interest rates on new and refinanced debt, or escalating construction costs. A positive outlook is currently not contemplated and would depend largely on sustaining strong financial measures during construction.

STANDARD & POOR'S

RATINGSDIRECT®

August 11, 2008

Wisconsin Power & Light Co.

Primary Credit Analyst:
Gerrit Jepsen, CFA, New York (1) 212-438-2529; gerrit_jepsen@standardandpoors.com

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Wisconsin Power & Light Co.

Major Rating Factors

Corporate Credit Rating
A-/Stable/A-2

Strengths:

- Strong and stable stand-alone cash flows,
- Supportive Wisconsin regulation, and
- Low-cost coal-fired generation.

Weaknesses:

- Moderate industrial concentration, and Large construction programmay pressure the consolidated financial profile in the intermediate term.

Rationale

The ratings on Wisconsin Power & Light Co. (WP&L), a regulated electricity and natural gas utility, reflect parent Alliant Energy Corp.'s consolidated credit profile. Alliant Energy's other subsidiaries include Interstate Power & Light Co. (IP&L) and Alliant Energy Resources Inc. (AER).

Madison, Wisc.-based Alliant Energy had $2.1 billion in consolidated debt, including AER's $402.5 million, and $244 million of preferred stock as of June 30, 2008. Of these amounts, WP&L had $735 million of debt and $60 million of preferred stock.

The ratings on Alliant Energy reflect its stable utility subsidiaries, adequate cash flow protection, and reduced debt leverage. Alliant Energy has an excellent business risk profile, which reflects the successful reduction in the size and scope of AER's unregulated and international activities through divestitures and the use of sales proceeds to pay down debt. AER will operate primarily in energy transportation, development of wind power, and industrial consulting. IP&L's and WP&L's business risk profile are excellent and reflect constructive regulatory environments, low-cost coal-fired generation, and reduced operational risk from the sales of their interests in nuclear plants. These strengths are tempered by moderate industrial concentration, rising fuel and purchased-power costs, and significant nondiscretionary capital expenditures. Alliant Energy is constructing wind farms and is planning to build coal units, one in each utility's service territory.

Ratemaking principles for new generation and authorized equity returns that exceed the national average strengthen WP&L's business risk profile. WP&L benefits from a moderate reliance on low-sulfur coal. The company's coal-fired facilities generate about 50% of the company's energy requirements and the reliance on coal-fired generation helps keep production costs below regional and national averages. As new wind projects come on line, fuel diversity may increase.WP&L's electric load is moderately exposed to business cycle fluctuations, with industrial and wholesale customers accounting for over 35% of electric operating revenues. The industrial concentration contributes to some electric sales growth, but can make overall cash flows more volatile.

WP&L's financial profile is evaluated in the context of its relationship with Alliant Energy. Alliant Energy's consolidated credit measures are within established guidelines for an aggressive financial risk profile. Overall, the company has adequate cash flow protection and manageable debt leverage. For the 12 months ended March 31, 2008, after adjustments, funds from operations (FFO) interest coverage was over 4.1x, FFO to debt was about 21%, and debt to total capital was 50%. During the construction program, we would expect at least some weakening of these financial measures. As capital spending has increased for the company, net cash flow to capital expenditures has dropped to 77%, and will likely further decline as capital spending increases with construction of the coal units. The company will require external funding. Proceeds from IP&L's transmission assets sale to ITC Holdings Inc. may be available to help fund new generation, mitigating the need for capital spending related rate increases or additional debt over the intermediate term.

Short-term credit factors

The 'A-2' short-term rating on WP&L reflects Alliant Energy's short-term consolidated credit profile. Alliant Energy should have sufficient liquidity over the short term. The company's strong liquidity reflects stable cash flow from utility operations and ample alternative liquidity sources such as $574 million of cash. Capital spending has been funded through internally generated operating cash flow, but free operating cash flow will likely be negative during the company's large construction program over the intermediate term. External funding will be required to finance this program. Alliant's commercial paper program provides alternative liquidity to meet ongoing working-capital requirements and moderate debt maturities through the intermediate term. The company uses its credit facilities to backstop its commercial paper program. Alliant Energy has three revolving credit facilities totaling $650 million that support its commercial paper program and are also available for direct borrowings. The company had $207 million of CP outstanding as of June 30, 2008.

Outlook

The outlook on WP&L is stable. We expect Alliant Energy will continue to focus on its core utility subsidiaries and that its capital spending program will be completed without material delays or cost overruns, and continued supportive regulation during the construction phase. However, we could change the outlook to negative if the financial profile weakens more than we expect during the construction period due to unfavorable ratemaking treatment, significantly higher interest rates on new and refinanced debt, or escalating construction costs. A positive outlook is currently not contemplated and would depend largely on sustaining strong financial measures during construction.

Table 1

Alliant Energy Corp. -- Peer Comparison*

Industry Sector: Energy

	--Average of past three fiscal years--				
	Alliant Energy Corp.	**Wisconsin Energy Corp.**	**SCANA Corp.**	**Westar Energy Inc.**	**Xcel Energy Inc.**
Rating as of July 29, 2008	BBB+/Stable/A-2	BBB+/Positive/A-2	A-/Negative/NR	BBB-/Stable/NR	BBB+/Stable/A-2
(Mil. $)					
Revenues	3,358.9	4,016.6	4,653.7	1,638.6	9,833.3
Net income from cont. oper.	273.1	317.5	314.7	156.2	547.9
Funds from operations (FFO)	630.4	726.7	751.8	396.8	1,535.3
Capital expenditures	493.2	949.4	549.5	447.3	1,621.9
Cash and short-term investments	406.6	45.9	132.3	21.6	53.6
Debt	3,233.0	4,606.2	3,835.0	2,429.1	9,178.2
Preferred stock	121.9	108.7	56.8	10.7	70.0

Table 1

Alliant Energy Corp. -- Peer Comparison*(cont.)

Equity	2,665.6	2,965.5	2,838.1	1,573.4	5,746.0
Debt and equity	5,898.6	7,571.8	6,673.1	4,002.5	14,924.2
Adjusted ratios					
EBIT interest coverage (x)	2.7	3.1	2.4	2.7	2.2
FFO int. cov. (x)	3.9	4.3	4.1	3.7	3.4
FFO/debt (%)	19.5	15.8	19.6	16.3	16.7
Discretionary cash flow/debt (%)	(0.2)	(10.8)	(2.2)	(9.2)	(5.5)
Net cash flow / capex (%)	102.7	64.7	101.7	70.5	72.5
Total debt/debt plus equity (%)	54.8	60.8	57.5	60.7	61.5
Return on common equity (%)	9.7	9.5	11.0	9.7	8.7
Common dividend payout ratio (un-adj.) (%)	51.1	34.4	61.8	55.1	66.1

*Fully adjusted (including postretirement obligations).

Table 2

Wisconsin Power & Light Co. -- Financial Summary*

Industry Sector: Electric

	--Fiscal year ended Dec. 31--				
	2007	**2006**	**2005**	**2004**	**2003**
Rating history	A-/Stable/A-2	A-/Stable/A-2	A-/Negative/A-2	A-/Negative/A-2	A-/Negative/A-2
(Mil. $)					
Revenues	1,416.8	1,401.3	1,409.6	1,209.7	1,217.0
Net income from continuing operations	113.5	105.3	105.1	113.7	114.9
Funds from operations (FFO)	227.1	266.0	329.0	334.3	245.5
Capital expenditures	204.9	160.1	183.8	212.0	151.6
Cash and short-term investments	0.4	1.6	0.0	0.1	27.1
Debt	1,075.6	948.6	875.7	713.9	647.5
Preferred stock	60.0	60.0	60.0	60.0	60.0
Equity	1,096.8	1,170.8	1,081.3	1,118.1	1,080.6
Debt and equity	2,172.4	2,119.4	1,957.0	1,832.0	1,728.1
Adjusted ratios					
EBIT interest coverage (x)	3.6	3.5	4.2	4.9	4.0
FFO int. cov. (x)	4.2	4.9	7.0	8.1	5.1
FFO/debt (%)	21.1	28.0	37.6	46.8	37.9
Discretionary cash flow/debt (%)	(9.5)	(6.5)	(2.0)	(13.6)	(13.7)
Net Cash Flow / Capex (%)	15.9	106.5	128.3	114.1	113.2
Debt/debt and equity (%)	49.5	44.8	44.7	39.0	37.5
Return on common equity (%)	10.0	9.1	9.3	10.7	12.1
Common dividend payout ratio (un-adj.) (%)	173.4	90.4	88.2	80.6	63.3

*Fully adjusted (including postretirement obligations).

Table 3

Reconciliation Of Wisconsin Power & Light Co. Reported Amounts With Standard & Poor's Adjusted Amounts (Mil. $)*

	--Fiscal year ended Dec. 31, 2007--							
Wisconsin Power & Light Co. reported amounts								
	Debt	**Operating income (before D&A)**	**Operating income (before D&A)**	**Operating income (after D&A)**	**Interest expense**	**Cash flow from operations**	**Cash flow from operations**	**Capital expenditures**
Reported	794.9	300.6	300.6	190.7	48.5	258.0	258.0	203.1
Standard & Poor's adjustments								
Operating leases	25.8	7.0	1.8	1.8	1.8	5.2	5.2	2.9
Postretirement benefit obligations	33.0	1.7	1.7	1.7	--	4.6	4.6	--
Capitalized interest	--	--	--	--	1.1	(1.1)	(1.1)	(1.1)
Share-based compensation expense	--	--	3.6	--	--	--	--	--
Power purchase agreements	214.2	45.5	45.5	14.6	14.6	30.9	30.9	--
Asset retirement obligations	7.7	0.7	0.7	0.7	0.7	(0.3)	(0.3)	--
Reclassification of nonoperating income (expenses)	--	--	--	30.6	--	--	--	--
Reclassification of working-capital cash flow changes	--	--	--	--	--	--	(70.2)	--
Total adjustments	280.7	54.9	53.4	49.5	18.3	39.3	(30.9)	1.8
Standard & Poor's adjusted amounts								
	Debt	**Operating income (before D&A)**	**EBITDA**	**EBIT**	**Interest expense**	**Cash flow from operations**	**Funds from operations**	**Capital expenditures**
Adjusted	1,075.6	355.5	354.0	240.2	66.8	297.3	227.1	204.9

*Wisconsin Power & Light Co. reported amounts shown are taken from the company's financial statements but might include adjustments made by data providers or reclassifications made by Standard & Poor's analysts. Please note that two reported amounts (operating income before D&A and cash flow from operations) are used to derive more than one Standard & Poor's-adjusted amount (operating income before D&A and EBITDA, and cash flow from operations and funds from operations, respectively). Consequently, the first section in some tables may feature duplicate descriptions and amounts.

Ratings Detail (As Of August 11, 2008)*

Wisconsin Power & Light Co.	
Corporate Credit Rating	A-/Stable/A-2
Commercial Paper	
Local Currency	A-2
Preferred Stock (7 Issues)	BBB
Senior Unsecured (6 Issues)	A-
Corporate Credit Ratings History	
05-Jan-2006	A-/Stable/A-2
06-Dec-2002	A-/Negative/A-2
17-Oct-2001	A/Stable/A-1

Ratings Detail (As Of August 11, 2008)***(cont.)**	
Related Entities	
Alliant Energy Corp.	
Issuer Credit Rating	BBB+/Stable/A-2
Commercial Paper	
Local Currency	A-2
Senior Unsecured (3 Issues)	BBB
Alliant Energy Resources Inc.	
Issuer Credit Rating	BBB+/Stable/NR
IES Utilities Inc.	
Senior Unsecured (2 Issues)	BBB+
Senior Unsecured (1 Issue)	BBB+/A-2
Interstate Power & Light Co.	
Issuer Credit Rating	BBB+/Stable/A-2
Commercial Paper	
Local Currency	A-2
Preferred Stock (3 Issues)	BBB-
Senior Unsecured (5 Issues)	BBB+
Senior Unsecured (2 Issues)	BBB+/A-2

*Unless otherwise noted, all ratings in this report are global scale ratings. Standard & Poor's credit ratings on the global scale are comparable across countries. Standard & Poor's credit ratings on a national scale are relative to obligors or obligations within that specific country.

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Short-term credit factors

The 'A-2' short-term rating on WP&L reflects Alliant Energy's short-term consolidated credit profile. Alliant Energy should have sufficient liquidity over the short term. The company's strong liquidity reflects stable cash flow from utility operations and ample alternative liquidity sources such as $574 million of cash. Capital spending has been funded through internally generated operating cash flow, but free operating cash flow will likely be negative during the company's large construction program over the intermediate term. External funding will be required to finance this program. Alliant's commercial paper program provides alternative liquidity to meet ongoing working-capital requirements and moderate debt maturities through the intermediate term. The company uses its credit facilities to backstop its commercial paper program. Alliant Energy has three revolving credit facilities totaling $650 million that support its commercial paper program and are also available for direct borrowings. The company had $207 million of CP outstanding as of June 30, 2008.

Outlook

The outlook on WP&L is stable. We expect Alliant Energy will continue to focus on its core utility subsidiaries and that its capital spending program will be completed without material delays or cost overruns, and continued supportive regulation during the construction phase. However, we could change the outlook to negative if the financial profile weakens more than we expect during the construction period due to unfavorable ratemaking treatment, significantly higher interest rates on new and refinanced debt, or escalating construction costs. A positive outlook is currently not contemplated and would depend largely on sustaining strong financial measures during construction.

The McGraw-Hill Companies

STANDARD & POOR'S RatingsDirect®

Ratings

Wisconsin Power & Light Co.

Recent Actions (in the past 30 days)

☆New Rating ^Upgrade ⌄Downgrade ◇CreditWatch/Outlook ⊖Not Rated

	Date	Description	To	From
	27-Jun-2008	US$450 mil shelf Sr Unsecd/Pfd Stk Debt Filed Under The SEC Rule 415 on 06/25/2008 (Reg #: 333-151911): pfd stk (prelim)		
☆		Global Scale Rating	BBB(prelim)	New
	27-Jun-2008	US$450 mil shelf Sr Unsecd/Pfd Stk Debt Filed Under The SEC Rule 415 on 06/25/2008 (Reg #: 333-151911): sr unsecd (prelim)		
☆		Global Scale Rating	A-(prelim)	New

Current Ratings

Issuer Ratings

	Date	Rating
Issuer Credit Rating		
Global Scale Rating:Foreign Currency	05-Jan-2006	A-/Stable/A-2
Global Scale Rating:Local Currency	05-Jan-2006	A-/Stable/A-2

Commercial Paper

Description	Rating	Date
3(A)3 CP prog auth amt US$250 mil		
Global Scale Rating	A-2	06-Dec-2002

Preferred Stock

Description	Rating	Date	CUSIP (CINS/ISIN)
US$450 mil shelf Sr Unsecd/Pfd Stk Debt Filed Under The SEC Rule 415 on 06/25/2008 (Reg #: 333-151911): pfd stk (prelim)			
Global Scale Rating	BBB(prelim)	27-Jun-2008	
US$15 mil 6.5% cum pfd stk			976826867
Global Scale Rating	BBB	26-Jan-2006	
US$6.5 mil 4.96% cum pfd stk			976826602
Global Scale Rating	BBB	26-Jan-2006	
US$7.5 mil 4.8% cum pfd stk			976826503
Global Scale Rating	BBB	26-Jan-2006	
US$3 mil 4.76% cum pfd stk			976826404
Global Scale Rating	BBB	26-Jan-2006	
US$3 mil 4.4% cum pfd stk			976826206
Global Scale Rating	BBB	26-Jan-2006	

US$150 mil shelf Sr Secd/Sr Unsecd/Pfd Stk Debt Filed Under SEC Rule 415 Registered--03/31/2004: pfd stk (prelim)			
Global Scale Rating	BBB(prelim)	15-Apr-2004	
US$100 mil 6.2% cum pfd stk			976826875
Global Scale Rating	BBB	06-Dec-2002	
US$100 mil 4.5% cum pfd stk			976826305
Global Scale Rating	BBB	06-Dec-2002	

Senior Secured

Description	Rating	Date
US$150 mil shelf Sr Secd/Sr Unsecd/Pfd Stk Debt Filed Under SEC Rule 415 Registered--03/31/2004: sr secd (prelim)		
Global Scale Rating	A-(prelim)	24-May-2004

Senior Unsecured

Description	Rating	Date	CUSIP (CINS/ISIN)
US$450 mil shelf Sr Unsecd/Pfd Stk Debt Filed Under The SEC Rule 415 on 06/25/2008 (Reg #: 333-151911): sr unsecd (prelim)			
Global Scale Rating	A-(prelim)	27-Jun-2008	
US$300 mil 6.375% deb due 08/15/2037			976826BE6
Global Scale Rating	A-	08-Aug-2007	
US$150 mil shelf Sr Secd/Sr Unsecd/Pfd Stk Debt Filed Under SEC Rule 415 Registered--03/31/2004: sr unsecd (prelim)			
Global Scale Rating	A-(prelim)	05-Jan-2006	
US$60 mil 5.7% deb due 10/15/2008			976826BB2
Global Scale Rating	A-	05-Jan-2006	
US$100 mil 7.625% deb due 03/01/2010			976826BC0
Global Scale Rating	A-	05-Jan-2006	
US$100 mil 6.25% deb due 07/31/2034			976826BD8
Global Scale Rating	A-	05-Jan-2006	

Dates are effective dates of ratings and publication in New York. Owing to the securities law regulations, there may be a delay in the updating of this page compared to the information on the What's New Page. RatingsDirect does not publish ratings history prior to January 1, 1990.

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April 1, 2008

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The corporate credit rating on WP&L is one notch higher than that on Alliant Energy due to regulatory insulation. WP&L derives credit strength from several regulatory restrictions and requirements such as restrictions on the pass-through of dividends to Alliant Energy if WP&L's average common equity ratio on a financial basis falls below a certain percentage.

Madison, Wisc.-based Alliant Energy had $1.66 billion in consolidated debt and $244 million of preferred stock as of Dec. 31, 2007. Of this amount, about 40% of the debt and 25% of the preferred stock is attributable to WP&L.

The ratings on Alliant Energy reflect its stable utility subsidiaries, adequate cash flow protection, and modest leverage. Alliant Energy has an excellent business risk profile, which reflects the successful reduction in the size and scope of AER's nonregulated and international activities through divestitures. Sales proceeds have been used to pay down debt. AER will operate primarily in energy transportation, development of wind power, and industrial consulting. The company owns one gas-fired power plant, providing about 300 MW that is contracted to WP&L.

WP&L's business risk profile is considered excellent and reflects constructive regulatory environments, low-cost coal-fired generation, and lower operational risk after selling its interest in the Kewaunee nuclear plant. These strengths are tempered by moderate industrial concentration, rising fuel and purchased-power costs, and significant nondiscretionary capital expenditures. WP&L plans to build two wind farms in 2008 and 2009, with 260 MW - 300 MW of total capacity. It has also filed for approval to build a highly efficient pulverized coal plant at its existing Nelson Dewey generation site in southwestern Wisconsin.

WP&L's electric load is moderately exposed to business cycle fluctuations, with industrial and wholesale customers accounting for large percentage of electric operating revenues. The industrial concentration, while contributing some growth in electric sales, tends to make overall cash flows more volatile. WP&L's generation and distribution system also demands constant renewal and refurbishment that require significant maintenance capital expenditures.

WP&L's financial profile is evaluated in the context of its relationship with Alliant Energy. Alliant Energy's consolidated credit measures are within established guidelines for the 'BBB+' rating. Overall, the company has adequate cash flow protection and modest leverage. For the 12 months ended Dec. 31, 2007, after adjustments, funds from operations (FFO) interest coverage was over 4.5x, FFO to debt was 26.7%, and debt to total capital was 47.4%. Net cash flow to capital expenditures dropped below 100% as of Dec. 31, 2007, and may decline further as capital spending increases with construction of the coal units. We expect Alliant Energy's earnings and cash flows to be predictably stable over the intermediate term. Despite significant debt reduction, we don't expect near-term improvement in cash flow protection ratios mainly due to large projected capital expenditures.

Short-term credit factors

The 'A-2' short-term rating on WP&L reflects Alliant Energy's short-term consolidated credit profile. Alliant Energy should have sufficient liquidity over the short term. The company's strong liquidity reflects moderate and stable utility-related cash generation and ample alternative liquidity sources. Internal funds are generally sufficient to cover the company's current common dividend and maintenance capital expenditures. The company must rely on cash on hand of $746 million, which reflects proceeds from the sale of IP&L's transmission assets, and external funds for all other uses, including growth-related capital expenditures.

Alliant's commercial paper program provides alternative liquidity to meet ongoing working-capital requirements and moderate debt maturities through the intermediate term. The company uses its credit facilities to backstop its commercial paper program. Alliant Energy has three revolving credit facilities totaling $650 million that support its commercial paper program and are also available for direct borrowings. Alliant Energy and WP&L, respectively, had $111 million and $82 million of short-term borrowings outstanding as of Dec. 31, 2007.

Outlook

The outlook on WP&L is stable. We expect Alliant Energy will continue to focus on its core utility subsidiaries. If financial measures weaken due to lower-than-expected FFO or an unanticipated increase in leverage, we could revise the outlook to negative. An outlook revision to positive is highly unlikely, but could occur if the company further materially reduces debt.

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October 29, 2007

Wisconsin Power & Light Co.

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Wisconsin Power & Light Co.

*(**Editor's Note:** This article is being republished to include an updated reconciliation table.)*

Major Rating Factors

Corporate Credit Rating
A-/Stable/A-2

Strengths:

- Strong and stable stand-alone cash flows,
- Supportive regulatory environment, and
- Reliance on low-cost, coal-fired generation.

Weaknesses:

- Moderate levels of industrial concentration,
- Material maintenance capital expenditures, and
- Large capital expenditures may pressure the consolidated financial profile in the intermediate term.

Rationale

The ratings on Wisconsin Power & Light Co. (WP&L), a regulated electricity and natural gas utility, reflect parent Alliant Energy Corp.'s consolidated credit profile. Alliant Energy's other subsidiaries include Interstate Power & Light Co. (IP&L) and Alliant Energy Resources Inc. (AER).

The corporate credit rating on WP&L is one notch higher than that on Alliant Energy due to regulatory insulation. WP&L derives credit strength from several regulatory restrictions and requirements. For example, WP&L may not pay Alliant Energy more than $91 million in annual common stock dividends, including the pass-through of subsidiary dividends, if WP&L's average common equity ratio on a financial basis is at or will fall below 51%.

Madison, Wisc.-based Alliant Energy had about $2.5 billion in consolidated gross debt as of March 31, 2007. Of this amount, about 43% is attributable to WP&L.

The ratings on Alliant Energy reflect its stable regulated utilities, adequate cash flow protection, and modest leverage. The company's business risk profile score is satisfactory (a '5' on our scale from '1' (excellent) to '10' (vulnerable)).

WP&L's business risk profile score is '4' (strong). The business risk profile is characterized by a supportive regulatory environment and a reliance on relatively low-cost generation. Moderate levels of industrial concentration and significant ongoing maintenance capital expenditures temper these strengths.

Ratemaking principles for new generation and authorized equity returns that exceed the national average strengthen WP&L's business risk profile. WP&L benefits from a moderate reliance on low-sulfur coal. The company's coal-fired facilities generate about 50% of the company's energy requirements. WP&L's reliance on coal-fired generation helps keep production costs below regional and national averages. As new wind projects come on line, fuel diversity may increase.

WP&L's electric load is moderately exposed to business cycle fluctuations, with industrial and wholesale customers accounting for about 46% of electric operating revenues. The industrial concentration, while contributing some growth in electric sales, tends to make overall cash flows more volatile. WP&L's generation and distribution system also demands constant renewal and refurbishment that require significant maintenance capital expenditures. That spending ranges between $150 million and $200 million annually.

WP&L's financial profile is evaluated in the context of its relationship with Alliant Energy. Alliant Energy's consolidated credit metrics are well within established guidelines for a 'BBB+' rating. Overall, the company has adequate cash flow protection and modest leverage. For the 12 months ended March 31, 2007, after adjustments, funds from operations (FFO) interest coverage was about 4.7x, FFO to debt was about 31%, and total debt to capital was 47%.

We expect Alliant Energy's earnings and cash flows to be predictably stable over the intermediate term. Despite significant debt reduction, we don't expect near-term improvement in cash flow protection ratios primarily due to large projected capital expenditures.

Short-term credit factors

The 'A-2' short-term rating on WP&L reflects Alliant Energy's short-term consolidated credit profile. Alliant's strong liquidity reflects moderate and stable utility-related cash generation and sufficient alternative liquidity sources. Internal funds are generally sufficient to cover the company's current common dividend and maintenance capital expenditures. The company must rely on modest cash reserves ($110 million as of March 2007, down from $269 million as of December 2006), asset sales and monetizations, and external funds for all other uses, including growth-related capital expenditures, which are currently estimated to total $580 million for 2007 and $1.1 billion for 2008.

Alliant Energy's commercial paper program provides alternative liquidity to meet ongoing working-capital requirements and moderate debt maturities through the intermediate term. The company uses its credit facilities to back up its commercial paper program. Alliant Energy has three revolving credit facilities totaling $650 million (with $250 million at WP&L) that support its commercial paper program and are also available for direct borrowings. The company had $537 million in remaining borrowing capacity at the consolidated level and $210 million in remaining capacity at WP&L as of March 31, 2007.

Outlook

The outlook on WP&L is stable. We expect Alliant Energy to focus on its core utility subsidiaries. If financial measures weaken as a result of lower-than-expected FFO (due to lower-than-expected rate relief or other items) or an unanticipated increase in leverage, we could revise the outlook to negative. An outlook revision to positive is highly unlikely, but could occur if the company further materially reduces debt.

Table 1

Alliant Energy Corp.--Peer Comparison*

Industry sector: Diversified energy				
	--Average of past three fiscal years--			
	Alliant Energy Corp.	Westar Energy Inc.	OGE Energy Corp.	Wisconsin Energy Corp.
Rating as of Aug. 2, 2007	BBB+/Stable/A-2	BBB-/Stable/--	BBB+/Stable/A-2	BBB+/Stable/A-2
(Mil. $)				
Revenues	3,199.2	1,551.2	4,960.1	3,747.7

Table 1

Alliant Energy Corp.--Peer Comparison*(cont.)				
Net income from cont. oper.	201.8	133.4	181.7	246.1
Funds from operations (FFO)	663.2	414.6	398.9	698.0
Capital expenditures	521.8	289.6	405.8	775.1
Cash and investments	245.6	32.0	44.2	48.6
Debt	2,968.3	2,272.1	1,685.4	4,366.8
Preferred stock	243.8	21.4	0.0	30.4
Common equity	2,445.3	1,384.6	1,299.5	2,613.1
Total capital	5,677.1	3,678.1	2,984.9	7,010.4
Adjusted ratios				
EBIT interest coverage (x)	2.5	2.3	4.0	2.9
FFO int. cov. (X)	4.0	3.6	4.8	4.3
FFO/debt (%)	22.3	18.2	23.7	16.0
Discretionary cash flow/debt (%)	(3.2)	(0.6)	(1.8)	(5.9)
Net cash flow/capex (%)	103.4	118.8	69.1	76.8
Debt/total capital (%)	52.3	61.8	56.5	62.3
Return on common equity (%)	7.6	9.5	13.1	8.2
Common dividend payout ratio (un-adj.) (%)	63.1	56.2	65.4	41.8

*Fully adjusted (including postretirement obligations).

Table 2

Wisconsin Power & Light Co.--Financial Summary*					
Industry sector: Integrated utility					
	--Fiscal year ended Dec. 31--				
	2006	**2005**	**2004**	**2003**	**2002**
Rating history	A-/Stable/A-2	A-/Negative/A-2	A-/Negative/A-2	A-/Negative/A-2	A-/Negative/A-2
(Mil. $)					
Revenues	1,401.3	1,409.6	1,209.7	1,217.0	972.1
Net income from continuing operations	105.3	105.1	113.7	114.9	80.9
Funds from operations (FFO)	280.5	355.0	334.3	232.5	233.7
Capital expenditures	159.2	567.4	212.0	151.6	171.7
Cash and investments	1.6	0.0	0.1	27.1	8.6
Debt	1,172.3	1,233.3	713.9	647.5	908.2
Preferred stock	60.0	60.0	60.0	60.0	60.0
Common equity	1,110.8	1,021.3	1,058.1	1,020.6	776.2
Total capital	2,343.1	2,314.6	1,832.0	1,728.1	1,744.5
Adjusted ratios					
EBIT interest coverage (x)	3.0	3.6	4.9	4.0	2.9
FFO int. cov. (x)	3.6	5.9	8.1	4.8	4.8
FFO/debt (%)	23.9	28.8	46.8	35.9	25.7
Discretionary cash flow/debt (%)	(3.3)	(30.4)	(13.6)	(13.7)	(0.9)
Net cash flow/capex (%)	116.2	46.2	114.1	104.6	99.5
Debt/total capital (%)	50.0	53.3	39.0	37.5	52.1

Table 2

Wisconsin Power & Light Co.--Financial Summary*(cont.)					
Return on common equity (%)	9.1	9.3	10.7	12.1	10.2
Common dividend payout ratio (un-adj.) (%)	90.4	88.2	80.6	63.3	76.8

*Fully adjusted (including postretirement obligations).

Table 3

Reconciliation Of Wisconsin Power & Light Co. Reported Amounts With Standard & Poor's Adjusted Amounts (Mil. $)*

	--Fiscal year ended Dec. 31, 2006--						
Wisconsin Power & Light Co. reported amounts							
	Debt	**Operating income (before D&A)**	**Operating income (before D&A)**	**Operating income (after D&A)**	**Interest expense**	**Cash flow from operations**	**Cash flow from operations**
Reported	657.1	292.2	292.2	184.9	45.7	162.6	162.6
Standard & Poor's adjustments							
Operating leases	28.0	9.0	2.4	2.4	2.4	6.6	6.6
Postretirement benefit obligations	49.3	6.1	6.1	6.1	--	(2.5)	(2.5)
Capitalized interest	--	--	--	--	3.3	(3.3)	(3.3)
Power-purchase agreements	214.2	47.4	47.4	16.5	16.5	30.9	30.9
Reclassification of nonoperating income (expenses)	--	--	--	28.3	--	--	--
Reclassification of working-capital cash flow changes	--	--	--	--	--	--	64.4
Total adjustments	291.5	62.5	55.8	53.2	22.1	31.7	96.1
Standard & Poor's adjusted amounts							
	Debt	**Operating income (before D&A)**	**EBITDA**	**EBIT**	**Interest expense**	**Cash flow from operations**	**Funds from operations**
Adjusted	948.6	354.7	348.0	238.1	67.8	194.3	258.7

*Wisconsin Power & Light Co. reported amounts shown are taken from the company's financial statements but might include adjustments made by data providers or reclassifications made by Standard & Poor's analysts. Please note that two reported amounts (operating income before D&A and cash flow from operations) are used to derive more than one Standard & Poor's-adjusted amount (operating income before D&A and EBITDA, and cash flow from operations and funds from operations, respectively). Consequently, the first section in some tables may feature duplicate descriptions and amounts.

Ratings Detail (As Of October 29, 2007)*	
Wisconsin Power & Light Co.	
Corporate Credit Rating	A-/Stable/A-2
Commercial Paper	
Local Currency	A-2
Preferred Stock	
Local Currency	BBB
Senior Secured	
Local Currency	A-
Senior Unsecured	
Local Currency	A-

Ratings Detail (As Of October 29, 2007)***(cont.)**	
Corporate Credit Ratings History	
05-Jan-2006	A-/Stable/A-2
06-Dec-2002	A-/Negative/A-2
17-Oct-2001	A/Stable/A-1
Business Risk Profile	1 2 3 [4] 5 6 7 8 9 10
Financial Risk Profile	Modest
Debt Maturities	
2007 $105 mil. 2008 $60 mil. 2009 None 2010 $100 mil. 2011 None	
Related Entities	
Alliant Energy Corp.	
Issuer Credit Rating	BBB+/Stable/A-2
Commercial Paper	
Local Currency	A-2
Senior Unsecured	
Local Currency	BBB
Alliant Energy Resources Inc.	
Issuer Credit Rating	BBB+/Stable/NR
Interstate Power & Light Co	
Issuer Credit Rating	BBB+/Stable/A-2
Commercial Paper	
Local Currency	A-2
Preferred Stock	
Local Currency	BBB-
Senior Secured	
Local Currency	A-
Senior Unsecured	
Local Currency	BBB+

*Unless otherwise noted, all ratings in this report are global scale ratings. Standard & Poor's credit ratings on the global scale are comparable across countries. Standard & Poor's credit ratings on a national scale are relative to obligors or obligations within that specific country.

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August 9, 2007

Summary:
Wisconsin Power & Light Co.

Primary Credit Analyst:
Gerrit Jepsen, CFA, New York (1) 212-438-2529; gerrit_jepsen@standardandpoors.com

Table Of Contents

Summary:
Wisconsin Power & Light Co.

Credit Rating: A-/Stable/A-2

Rationale

The ratings on Wisconsin Power & Light Co. (WP&L), a regulated electricity and natural gas utility, reflect parent Alliant Energy Corp.'s consolidated credit profile. Alliant Energy's other subsidiaries include Interstate Power & Light Co. (IP&L) and Alliant Energy Resources Inc. (AER).

The corporate credit rating on WP&L is one notch higher than that on Alliant Energy due to regulatory insulation. WP&L derives credit strength from several regulatory restrictions and requirements. For example, WP&L may not pay Alliant Energy more than $91 million in annual common stock dividends, including the pass-through of subsidiary dividends, if WP&L's average common equity ratio on a financial basis is at or will fall below 51%.

Madison, Wisc.-based Alliant Energy had about $2.5 billion in consolidated gross debt as of March 31, 2007. Of this amount, about 43% is attributable to WP&L.

The ratings on Alliant Energy reflect its stable regulated utilities, adequate cash flow protection, and modest leverage. The company's business risk profile score is satisfactory (a '5' on our scale from '1' (excellent) to '10' (vulnerable)).

WP&L's business risk profile score is '4' (strong). The business risk profile is characterized by a supportive regulatory environment and a reliance on relatively low-cost generation. Moderate levels of industrial concentration and significant ongoing maintenance capital expenditures temper these strengths.

Ratemaking principles for new generation and authorized equity returns that exceed the national average strengthen WP&L's business risk profile. WP&L benefits from a moderate reliance on low-sulfur coal. The company's coal-fired facilities generate about 50% of the company's energy requirements. WP&L's reliance on coal-fired generation helps keep production costs below regional and national averages. As new wind projects come on line, fuel diversity may increase.

WP&L's electric load is moderately exposed to business cycle fluctuations, with industrial and wholesale customers accounting for about 46% of electric operating revenues. The industrial concentration, while contributing some growth in electric sales, tends to make overall cash flows more volatile. WP&L's generation and distribution system also demands constant renewal and refurbishment that require significant maintenance capital expenditures. That spending ranges between $150 million and $200 million annually.

WP&L's financial profile is evaluated in the context of its relationship with Alliant Energy. Alliant Energy's consolidated credit metrics are well within established guidelines for a 'BBB+' rating. Overall, the company has adequate cash flow protection and modest leverage. For the 12 months ended March 31, 2007, after adjustments, funds from operations (FFO) interest coverage was about 4.7x, FFO to debt was about 31%, and total debt to capital was 47%.

We expect Alliant Energy's earnings and cash flows to be predictably stable over the intermediate term. Despite significant debt reduction, we don't expect near-term improvement in cash flow protection ratios primarily due to large projected capital expenditures.

Short-term credit factors

The 'A-2' short-term rating on WP&L reflects Alliant Energy's short-term consolidated credit profile. Alliant's strong liquidity reflects moderate and stable utility-related cash generation and sufficient alternative liquidity sources. Internal funds are generally sufficient to cover the company's current common dividend and maintenance capital expenditures. The company must rely on modest cash reserves ($110 million as of March 2007, down from $269 million as of December 2006), asset sales and monetizations, and external funds for all other uses, including growth-related capital expenditures, which are currently estimated to total $580 million for 2007 and $1.1 billion for 2008.

Alliant Energy's commercial paper program provides alternative liquidity to meet ongoing working-capital requirements and moderate debt maturities through the intermediate term. The company uses its credit facilities to back up its commercial paper program. Alliant Energy has three revolving credit facilities totaling $650 million (with $250 million at WP&L) that support its commercial paper program and are also available for direct borrowings. The company had $537 million in remaining borrowing capacity at the consolidated level and $210 million in remaining capacity at WP&L as of March 31, 2007.

Outlook

The outlook on WP&L is stable. We expect Alliant Energy to focus on its core utility subsidiaries. If financial measures weaken as a result of lower-than-expected FFO (due to lower-than-expected rate relief or other items) or an unanticipated increase in leverage, we could revise the outlook to negative. An outlook revision to positive is highly unlikely, but could occur if the company further materially reduces debt.

STANDARD &POOR'S RatingsDirect

Ratings

Wisconsin Power & Light Co.

Recent Actions (in the past 30 days)

New Rating / Upgrade / Downgrade / CreditWatch/Outlook / Not Rated

	Date	Description	To	From
	08-Aug-2007	US$300 mil deb due 2037		
☆		Global Scale Rating	A-	New

Current Ratings

Issuer Ratings

	Date	Rating
Issuer Credit Rating		
Global Scale Rating:Foreign Currency	05-Jan-2006	A-/Stable/A-2
Global Scale Rating:Local Currency	05-Jan-2006	A-/Stable/A-2

Commercial Paper

Description	Rating	Date
3(A)3 CP prog auth amt US$250 mil		
Global Scale Rating	A-2	06-Dec-2002

Preferred Stock

Description	Rating	Date	CUSIP (CINS/ISIN)
US$200 mil shelf Sr Secd/Sr Unsecd/Pfd Stk Filed Under SEC Rule 415 Registered-Debt 09/25/2006 (Reg:333-137196): pfd stk (prelim)			
Global Scale Rating	BBB(prelim)	19-Oct-2006	
US$15 mil 6.5% cum pfd stk			976826867
Global Scale Rating	BBB	26-Jan-2006	
US$6.5 mil 4.96% cum pfd stk			976826602
Global Scale Rating	BBB	26-Jan-2006	
US$7.5 mil 4.8% cum pfd stk			976826503
Global Scale Rating	BBB	26-Jan-2006	
US$3 mil 4.76% cum pfd stk			976826404
Global Scale Rating	BBB	26-Jan-2006	
US$3 mil 4.4% cum pfd stk			976826206
Global Scale Rating	BBB	26-Jan-2006	
US$150 mil shelf Sr Secd/Sr Unsecd/Pfd Stk Debt Filed Under SEC Rule 415 Registered--03/31/2004: pfd stk (prelim)			
Global Scale Rating	BBB(prelim)	15-Apr-2004	
US$100 mil 6.2% cum pfd stk			976826875
Global Scale Rating	BBB	06-Dec-2002	
US$100 mil 4.5% cum pfd stk			976826305
Global Scale Rating	BBB	06-Dec-2002	

Senior Secured

Description	Rating	Date
US$200 mil shelf Sr Secd/Sr Unsecd/Pfd Stk Filed Under SEC Rule 415 Registered-Debt 09/25/2006 (Reg:333-137196): sr secd (prelim)		
Global Scale Rating	A-(prelim)	19-Oct-2006
US$150 mil shelf Sr Secd/Sr Unsecd/Pfd Stk Debt Filed Under SEC Rule 415 Registered-- 03/31/2004: sr secd (prelim)		
Global Scale Rating	A-(prelim)	24-May-2004

Senior Unsecured

Description	Rating	Date	CUSIP (CINS/ISIN)
US$300 mil deb due 2037			
Global Scale Rating	A-	08-Aug-2007	
US$105 mil 7% deb due 06/15/2007			976826BA4
Global Scale Rating	NR	15-Jun-2007	
US$200 mil shelf Sr Secd/Sr Unsecd/Pfd Stk Filed Under SEC Rule 415 Registered-Debt 09/25/2006 (Reg:333-137196): sr unsecd (prelim)			
Global Scale Rating	A-(prelim)	19-Oct-2006	
US$150 mil shelf Sr Secd/Sr Unsecd/Pfd Stk Debt Filed Under SEC Rule 415 Registered-- 03/31/2004: sr unsecd (prelim)			
Global Scale Rating	A-(prelim)	05-Jan-2006	
US$60 mil 5.7% deb due 10/15/2008			976826BB2
Global Scale Rating	A-	05-Jan-2006	
US$100 mil 7.625% deb due 03/01/2010			976826BC0
Global Scale Rating	A-	05-Jan-2006	
US$100 mil 6.25% deb due 07/31/2034			976826BD8
Global Scale Rating	A-	05-Jan-2006	

Dates are effective dates of ratings and publication in New York. Owing to the securities law regulations, there may be a delay in the updating of this page compared to the information on the What's New Page. RatingsDirect does not publish ratings history prior to January 1, 1990.

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June 19, 2007

Summary:
Wisconsin Power & Light Co.

Primary Credit Analyst:
Gerrit Jepsen, CFA, New York (1) 212-438-2529; gerrit_jepsen@standardandpoors.com

Table Of Contents

Summary:
Wisconsin Power & Light Co.

Credit Rating: A-/Stable/A-2

Rationale

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Madison, Wisc.-based Alliant Energy had about $2.5 billion in consolidated gross debt as of March 31, 2007. Of this amount, about 43% was attributable to WP&L. The subsidiary's share of debt may increase with the purchase of the Neenah facility currently owned by fellow Alliant Energy Corp. subsidiary Alliant Energy Resources.

The ratings on Alliant Energy reflect its stable regulated utilities, adequate cash flow protection, and modest leverage. Alliant Energy's satisfactory business risk profile score is a '5'. (Utility business profiles are categorized from '1' (excellent) to '10' (vulnerable)).

WP&L's business risk profile score is '4' (strong). WP&L's business risk profile is characterized by a supportive regulatory environment and a reliance on relatively low-cost generation. Tempering these strengths are moderate levels of industrial concentration and significant ongoing maintenance capital expenditures.

WP&L's business risk profile is strengthened by advance ratemaking principles for new generation and by authorized equity returns that exceed the national average. WP&L's cost structure benefits from a moderate reliance on low-sulfur coal. The company's coal-fired facilities generate about 50% of the company's energy requirements. WP&L's reliance on coal-fired generation helps keep production costs below regional and national averages.

WP&L's electric load is moderately exposed to business cycle fluctuations, with industrial and wholesale customers accounting for about 46% of electric operating revenues. The industrial concentration, while contributing to some level of growth in electric sales, tends to make overall cash flows more volatile. WP&L's generation and distribution system also demands constant renewal and refurbishment with significant maintenance capital expenditures. Maintenance capital expenditures range between $150 million and $200 million annually.

We evaluate WP&L's financial profile in the context of its relationship to Alliant Energy. Alliant Energy's consolidated credit metrics are well within established guidelines for a 'BBB+' rating. Overall, the company's financial profile is characterized by adequate cash flow protection and modest leverage. For the 12 months ending March 31, 2007, after adjustments, funds from operations (FFO) interest coverage was about 4.2x, FFO to debt was about 26%, and total debt to capital was 48%.

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Outlook

The stable outlook on Alliant Energy reflects expectations that the company will continue to focus on its core utility subsidiaries. If financial measures weaken as a result of lower-than-expected funds from operations (due to lower-than-expected rate relief or other items) or an unanticipated increase in leverage, the outlook could be revised to negative. An outlook revision to positive is highly unlikely, but could occur in the event of additional and material debt reduction.

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